



Baskets of various vegetables, including capsicum, cucumber, brinjal, green chilli and tomato, are displayed at the Seed Congress that kicked off at the Bangabandhu International Conference Centre in Agargaon, Dhaka yesterday. This year, the event is focused on the production and supply of quality seeds so that farmers are more encouraged to grow vegetables and thereby help meet local demand.

PHOTO: RASHED SHUMON

No compromise on quality of seeds: Razzaque

STAR BUSINESS REPORT

There will be no compromise on the quality of seeds of crops and other agriculture products in the country, Agriculture Minister Muhammad Abdur Razzaque said yesterday.

"Quality seeds are crucial for good yield and productivity. So, the public and private institutions need to work together to ensure that farmers can use local seeds with full confidence."

The minister spoke while addressing the inaugural session of the "Seed Congress" at Bangabandhu International Conference Centre in Dhaka organised by the agriculture ministry and Bangladesh Seed Association.

The government has not increased the prices of fertilisers in the country despite the fourfold rise in their rates in the international markets, he said.

"Fertiliser and seed prices did not increase in the local markets and will not increase in near future also. Rather the government is now extending four times higher subsidy than before."

The seed companies should focus more on working with honesty, as many are still complaining about low-quality seeds, he said.

"I have received reports from the field that half of the seedlings did not grow. Still some companies have a tendency to cheat the farmers with low-quality seeds."

He also said the seed association should play a responsible role in this regard.

The seed companies will benefit if they gain the farmers' confidence on the quality of the seeds, Razzaque said.

There has been no shortage of fertiliser and seeds in the last 14 years, as the current agriculture-friendly government has established good governance in agricultural inputs, he said.

Fast-track technology adoption: experts

STAR BUSINESS REPORT

Bangladesh should fast-track the adoption of technologies to make the most out of them with a view to taking the country forward, said speakers yesterday.

There is faster technology adoption in the private sector but the same is not happening in the public sector, said Saumitra Kumar, head of corporate affairs of BSRM Group of Companies.

"In order to benefit from technologies and take Bangladesh forward, the speed of technology adoption has to be accelerated."

He made the comments at a panel discussion on "Technology in Infrastructure Sector" on the concluding day of the INFOCOM Dhaka 2023 at the Westin Dhaka yesterday.

INFOCOM is India's leading technology, business and leadership conference and an international platform that has been promoting ICT, in India and beyond for more than 21 years.

INFOCOM, in association with the Saarc Chamber of Commerce & Industry and The Daily Star, organised the sixth edition of the event.

The conference brought together business and technology leaders from India and Bangladesh with an agenda to interact and discuss the latest trends in technology, share key experiences and

learning with peers from the industry and help enable businesses to step into the next phase of collaborative growth through the use of information and communication technologies.

Kumar said in many cases it takes a lot of time for government officials to give decisions on time due to bureaucratic red tape. So, sometimes total resources may go to waste.

He said his company has been involved in various infrastructure projects in Bangladesh, including those for the Bangladesh Water Development Board, the Local Government Engineering Department, the Roads and Highways Division, and Gas Transmission Company Limited.

"Many things will be done but nothing will be effective. Therefore, it is necessary for the government to emphasise the effective use of technologies."

Masud Khan, chief adviser of Crown Cement, said a lot of automation was being done in the cement industry but many people might not know about it.

Faizur Rahman Khan, managing director at Building Technology & Ideas Limited, said Dhaka was once a vibrant city, but the city had been developed in an unplanned manner. He said a gazette on the detailed area plan (DAP) has been published recently.

"All stakeholders will have to work closely for a proper implementation of the DAP."

Green factories brighten image

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Environmental Design (LEED) programme of the US Green Building Council (USGBC), there are 63 platinum rated garment units in the country.

Meanwhile, another 110 are gold rated, 10 are silver rated and four are just certified.

Platinum certification is the highest category in the ranking system while gold is second and silver is third. The fourth category is for industrial units that just meet the minimum requirements.

Besides, more than 500 other garment factories are awaiting LEED certification for their green initiatives, according to the Bangladesh Garment Manufacturers and Exporters Association.

China has the second highest number of platinum rated factories with only 10 while Pakistan places third with nine.

Other global leaders in LEED certification include India and Sri Lanka with six each while Taiwan and Vietnam have four.

Myanmar and the US each have two platinum rated factories while Ireland, Italy, Indonesia, Mexico, Poland, Paraguay, Romania, Turkey and the UAE have one apiece, as per data from the USGBC.

The data shows that Bangladesh is far ahead of major players such as China, the world's largest apparel supplier, when it comes to implementing green initiatives as the country boasts one of the lowest industrial carbon emissions.

However, international buyers do not pay additional or premium prices for apparel sourced from green factories as they believe it is mandatory to take up such initiatives.

This begs the question as to why local suppliers should continue investing heavily on green units when they do not receive any immediate benefit.

Compared to traditional factories, it costs 20 per cent more to set up a green unit.

But rather than worry about getting additional prices, most green

factory owners say they set up their units following relevant guidelines in order to brighten the sector's image and foster long-term relationships with buyers.

The green initiatives taken by local garment makers has helped convince Western consumers that workplace safety has improved greatly as LEED certification is only given through a rigorous process that ensures strict adherence with the guidelines.

Maintaining the required compliances, especially in regard to environmental sustainability, also helps the factories save more than 30 per cent on energy costs and water consumption.

As such, LEED certification has become a tool for marketing locally made garment products as suppliers say foreign retailers and brands give priority to green garment factories when placing work orders.

So, it can be said that garment suppliers could care less about securing additional prices for their green initiatives considering the other advantages on offer.

from the premier bourse of the country showed.

The companies that are more import-dependent such as garment manufacturers bore the brunt of the costlier US dollar since the latter has made procurement of raw materials from international markets expensive.

In August, the government raised the prices of diesel and kerosene by 42.5 per cent. Petrol price saw a 51.16 per cent jump and octane became dearer by 51.68 per cent. The moves have driven up both energy bills and transportation costs, thus the overall cost of production.

Now, most companies are trying to follow austerity measures to keep their head above water and hoping that the situation would improve soon, said Khan.

But it remains to be seen whether their hope would translate into reality since the war-induced uncertainty is still there, said an analyst.

Pvt ship owners irked over BSC privilege

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In recent years, Bangladesh's entrepreneurs, encouraged by prospects and tax and VAT benefits, have expanded their capacity in oceangoing shipping to secure a portion of international freight of private and public enterprises.

Today Bangladesh has 97 registered oceangoing vessels, the highest so far, with 80 ships incorporated at the end of 2021.

Most of the vessels are owned by private firms. The oceangoing ships now have a carrying capacity of nearly 30 lakh tonnes.

Chowdhury said investment in the sector would be affected because of the rule.

At present, the National Board of Revenue offers a tax exemption on income earned by oceangoing vessels flying the Bangladesh flag. It will be available till 2030.

It has also exempted value added tax on the import of vessels aged up to 25 years to encourage the growth in the number of oceangoing vessels.

Insiders said the BSC does not have enough ships to carry cargoes imported by the public agencies alone.

BSC Managing Director Commodore Md Ziaul Hoque said the private sector has a "huge scope to

participate in the government cargo transportation chain following the government rule".

"Some owners are participating actively in the government cargo transportation," he said.

Hoque said the BSC was a proven service provider in this sector and providing shipping services does not require ownership.

"The capacity in this sector depends on experience and reliability. An aged old organization, the BSC is holding these things from the beginning to end and proved by providing services to some government enterprises," he said.

The BSC, he said, transports petroleum products, jute, flood grain, fertiliser and other cargoes.

"Upon getting the right, we are working to equip in all spheres," said the official of the BSC which has eight ships, including three bulk carriers and three tankers each with a 39,000 deadweight tonnage capacity.

He said the BSC has taken up a number of projects to acquire a total of 38 vessels in the coming years until 2,041.

The rule should clarify whether the Bangladesh flag carrier vessels of the private sector can provide the service in cases where the BSC fails to do so, said Mohd Mehrul Karim, chief executive

officer of SR Shipping, a concern of KSRM Group.

"It should be clearly defined...There is no clarity in the rule," he said.

The state-owned carriers are always given priority to carry government-owned cargo to strengthen state capacity to meet any contingency, said Commodore Md Nizamul Haque, director general of the Directorate of Shipping (DoS).

Likewise, the BSC has also been given priority over others under the BSC act. However, the capacity of the BSC with only eight ships out of 97 flagships, is meagre in comparison to the need, he said.

It is worth mentioning that the total cargo carried by Bangladeshi flag ships, that includes the BSC, is less than 2 per cent of the total requirement, he added.

"So, private ships owners have ample scope to invest in the maritime sector to maximise our national cargo carrying capacity," said Haque.

Moreover, the DoS often gives waiver for state-owned cargoes to be carried by the private ship owners due to nonavailability of the BSC ships, he said.

"Our public and private sector ships have huge scope. If we can carry our own goods, we can save at least \$18 billion yearly," he said.

Rules on compulsory diploma

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They have already raised questions over the logic behind the requirement and the diploma programme's curriculum.

Khan said some thought this measure discriminated against people who have already attained a Masters in Bank Management (MBM) degree of the Bangladesh Institute of Bank Management.

The same was for students passing with flying colours from the country's leading public and private universities, some of which figure prominently in annual international rankings, he said.

These include the Institute of Business Administration and Faculty of Business Studies of the University

of Dhaka, said Khan, a vice chairman of Aspen Capital Solutions LLC in the USA.

This circular also applies to foreign banks who have their own tailored training programmes, held both at home and abroad for its employees, he said.

These are challenging and comprehensive and their curriculum incorporate the most modern and contemporary banking practices, said Khan, who teaches banking and finance at a leading public university and a private university.

A number of private Bangladeshi banks have also organised trainings in the country with leading international experts and some of their employees have also been

trained at distinguished centres of learning abroad, he said.

A number of upwardly mobile bankers have spoken about it in the last few days, said Khan, also a former managing director of Mutual Trust Bank.

They are of the opinion that all of the preceding qualifications should be taken into consideration for the promotion of employees, he said.

"If we look at the statistics, we find that a very small percentage of bankers are able to pass the banking diploma examination," he said.

"The syllabus is very tough to complete for people who work the entire day in a bank and they become too tired to study in the evenings," he added.

ACI ships first batch of pharma to US subsidiary

STAR BUSINESS REPORT

Bangladeshi conglomerate ACI has completed exporting its first ever shipment of pharmaceutical products to its subsidiary, ACI Healthcare USA, located in the USA.

The products were sent from ACI Healthcare Ltd's facility situated in Narayanganj's Sonargaon, the company said in a statement today.

ACI organised a programme on the occasion at InterContinental Dhaka on February 9.

Abul Bashar Mohammad Khurshid Alam, director general of the Directorate General of Health Services; Major General Mohammad Yousuf, director general of the Directorate General of Drug Administration; M Anis Ud Dowla, chairman of ACI Group; Arif Dowla, group managing director of ACI Ltd, and M Mohibuz Zaman, managing director and CEO of ACI Healthcare Limited, attended the programme.

Midland Bank to offer 50 lakh shares to employees

STAR BUSINESS REPORT

Midland Bank Ltd is going to offer 50 lakh ordinary shares to its employees under its initial public offering (IPO).

In September, the fourth generation bank got the nod from the Bangladesh Securities and Regulatory Commission to raise Tk 70 crore from the stock market by issuing 7 crore shares through an IPO.

The bank will issue 50 lakh shares, or 7.14 per cent of the total issues to be floated, to its employees under an employee share purchase plan, said Midland Bank in a press release.

The rest of the shares will be distributed among eligible investors and general public investors in line with the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015.

The subscription to the IPO will commence on February 16 and it will continue up to February 23.

Midland Bank will utilise the IPO proceeds to invest in government securities and the secondary market and cover IPO expenses.

As per the IPO prospectus, the total loans and advances of the bank were Tk 4,586 crore as on 31 December 2021 whereas the total deposit was Tk 5,073 crore.

The pre-IPO paid-up capital of Midland Bank is Tk 569 crore and it will go up to Tk 639 crore after the share issuance.

The sponsors and directors of the issuer will hold 78.63 per cent of the company after the bank makes its debut on the stock market.

The ratio of non-performing loans and the capital adequacy ratio were 3.17 per cent and 15.87 per cent respectively for the year that ended on December 31, 2021.

The weighted average earnings per share for the last five years was Tk 1.07.

The bank commenced its banking operation on June 20, 2013. At present, it runs its operation through 36 branches, 16 sub-branches, 57 automated teller machines, 107 agent banking outlets and 10 collection booths, covering commercially important locations across the country.